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From:

Sent: Thursday, July 16, 2009 3:27:29 PM

To:

Cc:

Subject: RE: Disqualification of a Profit Sharing Plan

I spoke with [redacted] in [redacted] and he did not think the tax benefit rule would apply in this case.

Also, given that taxable years [redacted] are close taxable years, he did not think that it was likely that we could proceed against the taxpayer on any of these years. However, there maybe a possibility if we could establish that the [redacted] transfer of \$ [redacted] was not a qualified transfer then we may be able to disqualify the plan for taxable year [redacted]. [redacted] did not understand why we focused on the [redacted] taxable year if there were no transfers or rollovers in taxable year [redacted].

Whether we can argue the duty of consistency we will have to wait for [redacted] to make that determination.

[redacted] asked that he have a WLI opened for [redacted]. If you have questions for you can call him at [redacted].